Gap between cost of generation and supply price of electricity

†2812. SHRI RAVI SHANKAR PRASAD:
DR. MURLI MANOHAR JOSHI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that there is wide gap between the production cost of electricity and its sale price for consumers in the country;

(b) if so, the facts in this regard;

(c) the average production cost assessed in the hydro, thermal, gas and nuclear sectors in the country in 2005; and

(d) the average sale price for consumers in domestic, industrial, commercial and agricultural sectors for the said year?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) to (d) The cost of producting/generating power at various stations varies depending upon the capital cost, technology, fuel, size of plant, location etc. The cost to the consumers includes the overall bulk power purchase cost and generation cost as well as the transmission cost, Aggregate Technical & Commercial loss (AT&C), operational expenses including servicing of debt for capital investment for system upgradation/augmentation etc. Therefore, the cost of supply of electricity to the consumers is higher than the cost of generation.

The State Electricity Boards/Electricity Utilities purchase power mainly from NTPC/National Hydroelectric Power Corporation (NHPC). The average cost of electricity sold to utilities during the year 2005-2006 in the case of operating projects of NTPC work out to Rs. 1.44/KWH in the case of coal based stations and Rs. 2.86/KWH in case of gas/liquid fuel. The average cost of electricity to utilities for same year in respect of NHPC projects is Rs. 0.91/KWH. The average generation tariff of electicity from nuclear power plant in the country in the year 2005-2006 is Rs. 2.32/KWH.

The rates of electricity in respect of domestic, commercial, industrial and agricultural consumers as on 1.4.2006 are given in Statement.

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†Original notice of the question was received in Hindi.

Statement

Rates of electricity in respect of domestic, commercial, industrial and agricultural consumers as on 1.4.2006

(Rates in paise/KWh)

	Domestic			Commercial					Industrial			Agriculture	
	Domestic2 KW(100 KwtV month)	Domestics KW(400 Kvih/ month)	Domestic 10KW (1000 Kwh/ month)	Commercial 15KW (200 Kwh/ month)	Commercial 10KW (1000 KWh/ month)	Commercial 20 KW (2000 Kwh/ month)	Small Industry 10 HP 25% LF (1361 Kwh/ month)	Medium industry 50 KW 40% LF (14600 KwrV month)	Large Industry 1000 KW 65% LF (474500 Kwh/ month)	Heavy Industry (11KV) 10,000KW 60%LF (816KwW month)	Heavy Industry (33 KV) 15,000KW 50%LF (4380000 KwtV momh)	Agricul-ture5 HP, 15%LF (408KV KvirV	Agricul-turelO HP 15%LF (5475000 morHh)
\son	55.00-	112.75-	15050-	152.33-	152.33-	15233	157.00-	157.00-	71.35-518637	135-511.39	7135-	00-277	00327.54
1.4.06	39184	51646	588.71	74396	805.81	962.74	70365	801.41			54732		

Two numbers in one entry indicate the minimum and maximum tariff prevalent across different states.